

AMENDED IN SENATE JUNE 24, 2003

AMENDED IN ASSEMBLY JUNE 2, 2003

AMENDED IN ASSEMBLY APRIL 21, 2003

AMENDED IN ASSEMBLY MARCH 17, 2003

CALIFORNIA LEGISLATURE—2003–04 REGULAR SESSION

## **ASSEMBLY BILL**

**No. 107**

**Introduced by Assembly Member Corbett**

January 10, 2003

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An act to add Sections 79522 and ~~79522.5~~, 79522.5, and 79522.7 to the Water Code, relating to water.

### LEGISLATIVE COUNSEL'S DIGEST

AB 107, as amended, Corbett. Water Security, Clean Drinking Water, Coastal and Beach Protection Act of 2002.

The Water Security, Clean Drinking Water, Coastal and Beach Protection Act of 2002, an initiative measure approved by the voters at the November 5, 2002, statewide general election, authorizes for the purposes of financing a safe drinking water, water quality, and water reliability program, the issuance of bonds in the amount of \$3,440,000,000. Under the act, the bond funds made available by the act are deposited in the Water Security, Clean Drinking Water, Coastal and Beach Protection Fund of 2002, which is created by the act. Under the act, the sum of \$50,000,000 is available for appropriation by the Legislature from the fund for the purpose of protecting state, local, and regional drinking water systems from terrorist attack or deliberate acts of destruction or degradation.

This bill would require that the funds made available for these purposes are to be appropriated to the ~~Department of Water Resources for project grants~~ *State Department of Health Services*. The bill would require the *state* department to ~~develop project solicitation and evaluation guidelines~~ *establish criteria* for awarding the grants, in consultation with the ~~State Department of Health Services and the California Office of Emergency Services, the state~~ *Office of Homeland Security, and* *and public water agencies*. The bill would ~~prescribe priorities and criteria for evaluating grant proposals~~ *require the state department to include in the criteria a funding preference, to the extent consistent with the act, for projects that meet certain requirements*.

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The bill would require the Secretary of the Resources Agency to make certain findings related to *the administration of* those grants in years 2004, 2005, and 2006.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

*The people of the State of California do enact as follows:*

- 1 ~~SECTION 1. The Legislature finds and declares the~~
- 2 *SECTION 1. Section 79522 is added to the Water Code, to*
- 3 *read:*
- 4 *79522. (a) Funds made available pursuant to Section 79520*
- 5 *shall be appropriated to the State Department of Health Services*
- 6 *to carry out this chapter consistent with the requirements and for*
- 7 *the purposes specified in Section 79520.*
- 8 *(b) The State Department of Health Services, upon*
- 9 *consultation with the Office of Emergency Services, the state*
- 10 *Office of Homeland Security, and public water agencies, shall*
- 11 *establish criteria for awarding grants pursuant to Section 79520.*
- 12 *(c) Funds made available by Section 79520 may not be*
- 13 *allocated for grants to reimburse project costs incurred prior to the*
- 14 *adoption of criteria pursuant to subdivision (b).*
- 15 *(d) No grant funds may be awarded pursuant to Section 79520*
- 16 *to supplant funding for the routine responsibilities or obligations*
- 17 *of any state, local, or regional drinking water system.*
- 18 *SEC. 2. Section 79522.5 is added to the Water Code, to read:*
- 19 *79522.5. (a) The criteria established pursuant to subdivision*
- 20 *(b) of Section 79522 shall provide for a structure and process for*

1 *developing project funding priorities. The criteria shall include a*  
2 *funding preference, to the extent consistent with this chapter, for*  
3 *all of the following:*

4 *(1) Eligible projects that produce the greatest public benefit for*  
5 *the least cost.*

6 *(2) Eligible projects that help to achieve regional equity in the*  
7 *distribution of grant funds.*

8 *(3) Eligible projects that are consistent with any regionally*  
9 *based water resources management plan that has been developed*  
10 *through a public process.*

11 *(b) In order to qualify for grants awarded pursuant to Section*  
12 *79520, a recipient shall demonstrate that it has complied with both*  
13 *of the following requirements:*

14 *(1) Completion of a security vulnerability assessment in*  
15 *accordance with Public Law 107-188.*

16 *(2) Completion of a new, or revision of an existing, emergency*  
17 *response plan that incorporates the results of the security*  
18 *vulnerability assessment in accordance with Public Law 107-188.*

19 *SEC. 3. Section 79522.7 is added to the Water Code, to read:*

20 *79522.7. On or before June 30, 2004, 2005, and 2006, the*  
21 *Secretary of the Resources Agency shall do one of the following:*

22 *(a) Make a finding that the projects that are awarded grants*  
23 *pursuant to Section 79520 have met the criteria described in*  
24 *subdivision (a) of Section 79522.5.*

25 *(b) Make a finding that the projects that are awarded grants*  
26 *pursuant to Section 79520 have not met the criteria described in*  
27 *subdivision (a) of Section 79522.5, in which case the secretary*  
28 *shall submit to the Governor a plan to meet those criteria for the*  
29 *following year.*

30 *following:*

31 ~~*(a) The Water Security, Clean Drinking Water, Coastal and*~~  
32 ~~*Beach Protection Act of 2002 (Division 26.5 (commencing with*~~  
33 ~~*Section 79500) of the Water Code) was enacted through the voters'*~~  
34 ~~*approval of Proposition 50 at the statewide general election on*~~  
35 ~~*November 5, 2002.*~~

36 ~~*(b) That act requires the Legislature to appropriate funds*~~  
37 ~~*provided by the act for, among other things, the purposes of*~~  
38 ~~*improving water system security, enhancing water supply*~~  
39 ~~*reliability, and interconnecting water system distribution*~~  
40 ~~*infrastructure.*~~

~~(c) It is the policy of the State of California, as well as the CALFED Bay Delta Program, to actively support regional planning to improve water quality and water supply reliability through study and implementation of various water management measures. These measures include conservation, water recycling, conjunctive use, groundwater management, use of alternative water sources, water storage, and constructing new facilities to interconnect the various water systems.~~

~~(d) Regionally developed water projects require collaboration across the jurisdictional boundaries of multiple water agencies for the collective benefit of a broad cross-segment of the region's population and should be promoted in order to achieve economies of scale and maximize the efficient use of resources.~~

~~(e) Specific water projects and proposals have emerged within various regions of the state that are consistent with CALFED's integrated planning approach, and would protect those regions during emergency situations and improve the reliability of water service for residents and businesses.~~

~~(f) Many of these projects and proposals represent unique partnership efforts among multiple water agencies to collectively improve the region's water supply, reliability, security, and drinking water quality, without constructing new dams, by ensuring that individual communities will be able to rely on the infrastructure and water supplies of more than one of the region's water systems. These projects that cross water agency jurisdictional boundaries cannot be implemented expeditiously without financial assistance.~~

~~(g) The reliability of water agency infrastructure systems is of vital importance to the health, welfare, safety, and economy of the various regions and the state, as it is critical to resident industries, universities, and commercial enterprises that employ millions of Californians and generate billions of dollars in exports and tax revenues.~~

~~(h) The state has concerns for the safety, health, and the economic strength of the various regions that warrant taking prudent steps and timely actions to safeguard and improve water reliability for all Californians dependent on the integrity of a particular region's water systems.~~

~~(i) In order to expeditiously implement interagency projects that will improve water supply reliability, water system security,~~

1 ~~and drinking water quality, it is necessary for the Legislature to~~  
2 ~~appropriate moneys from Proposition 50 to fund a variety of~~  
3 ~~unique regional partnership projects.~~

4 ~~SEC. 2. Section 79522 is added to the Water Code, to read:~~

5 ~~79522. (a) Funds made available pursuant to Section 79520~~  
6 ~~are to be appropriated to the Department of Water Resources for~~  
7 ~~grants for projects that carry out the purposes set forth in Section~~  
8 ~~79520.~~

9 ~~(b) The department, in consultation with the State Department~~  
10 ~~of Health Services and the California Office of Homeland~~  
11 ~~Security, shall develop project solicitation and evaluation~~  
12 ~~guidelines for awarding grants.~~

13 ~~(c) The project solicitation and evaluation guidelines shall~~  
14 ~~provide for a structure and process for developing project funding~~  
15 ~~priorities, and criteria for evaluating grant proposals. Those~~  
16 ~~funding priorities and criteria shall include, but not be limited to,~~  
17 ~~the following components:~~

18 ~~(1) Projects that produce the greatest public benefit for the least~~  
19 ~~cost.~~

20 ~~(2) Projects that help to achieve regional equity in the~~  
21 ~~distribution of grant funds.~~

22 ~~(3) Projects that are consistent with any regionally-based water~~  
23 ~~resources management plan that has been developed through a~~  
24 ~~public process.~~

25 ~~SEC. 3. Section 79522.5 is added to the Water Code, to read:~~

26 ~~79522.5. On June 30 in years 2004, 2005, and 2006, the~~  
27 ~~Secretary of the Resources Agency shall do one of the following:~~

28 ~~(a) Make a finding that the projects that are awarded grants~~  
29 ~~pursuant to Section 79522 have met the criteria identified in~~  
30 ~~subdivision (c) of Section 79522.~~

31 ~~(b) Make a finding that those projects described in subdivision~~  
32 ~~(a) have not met those criteria, and submit to the Governor a plan~~  
33 ~~to meet those criteria for the following year.~~